



US008489434B1

(12) **United States Patent**
Otis et al.

(10) **Patent No.:** **US 8,489,434 B1**
(45) **Date of Patent:** **Jul. 16, 2013**

(54) **SYSTEM AND METHOD FOR
ESTABLISHING RATES FOR AN
AUTOMOBILE INSURANCE POLICY**

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(*) Notice: Subject to any disclaimer, the term of this
patent is extended or adjusted under 35
U.S.C. 154(b) by 0 days.

(21) Appl. No.: **13/458,447**

(22) Filed: **Apr. 27, 2012**

Related U.S. Application Data

(63) Continuation of application No. 10/457,114, filed on
Jun. 9, 2003, now Pat. No. 8,170,892.

(60) Provisional application No. 60/387,623, filed on Jun.
11, 2002.

(51) **Int. Cl.**
G06Q 40/00 (2012.01)

(52) **U.S. Cl.**
USPC **705/4; 705/3; 705/38; 705/400**

(58) **Field of Classification Search**
USPC **705/4, 38, 3, 400**
See application file for complete search history.

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(57) **ABSTRACT**

Automobile insurance rates are established by performing
calculations for defining a single tier placement dependent
upon a combination of mutually exclusive factors based on
applicant data. The factors include a household driving record
gradient, a stability gradient and an operator driving record
gradient. In the case of a new policy, the factors also include
a named insured driving experience gradient and a prior insur-
ance gradient. Alternately, in the case of a renewal policy, the
factors also include a household claims record gradient, a
member relationship gradient and an operator claims record
gradient. No single factor is the sole determinant for place-
ment in a tier.

21 Claims, 12 Drawing Sheets

